



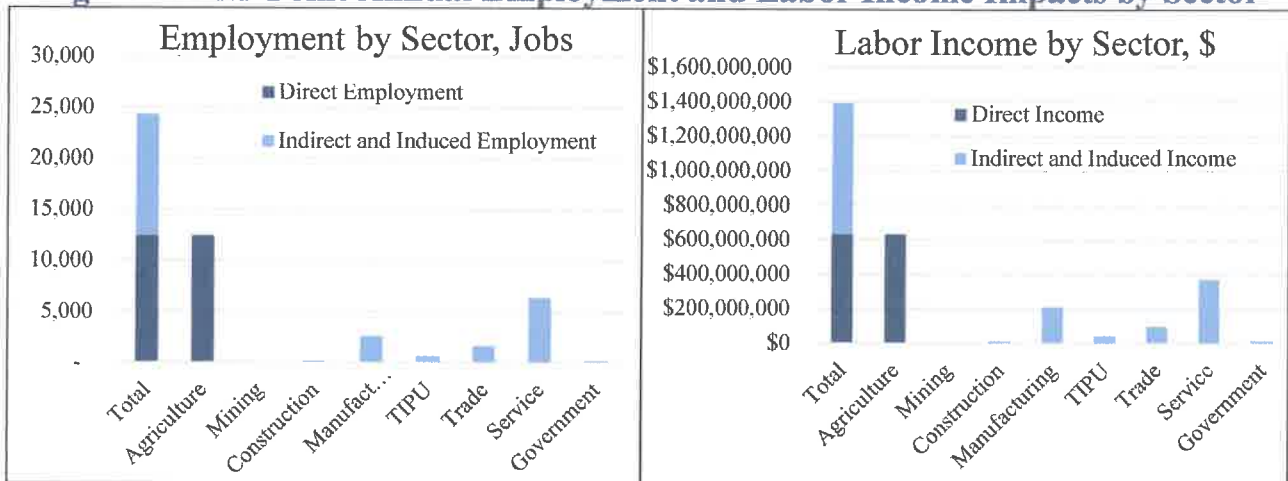
There is inherent uncertainty in estimating economic impacts, from the estimates of acreage impact; to direct farm output, income, and employment; to multiplier effects in related industries. Change in agricultural acreage was estimated by Kern County water districts and farming stakeholders using an economic model of water use and agricultural acreage in Kern County, while all other impacts were estimated by Highland Economics using a combination of crop enterprise budgets, county employment data, county assessor reports, and a Kern County IMPLAN input-output model. Table 1 below summarizes economic impacts and provides a range of values (the mid-point of which is summarized in Figure 1 above). Mid-point impact estimates by sector are also summarized in Figure 2.

Table 1: Summary Range of Annual Economic Impacts in California

Type of Impact	Employment (Full & Part Time Jobs)	Labor Income ¹ (Millions \$)	Output (Millions \$)	Sales, Income, and Property Taxes ² (Millions \$)
Crop Production Impact				
Direct (Agriculture Sector)	9,700 - 15,100	\$421 - \$841	\$1,143 - \$1,390	\$26 - \$55
Indirect (Other Industries)	5,300 - 7,600	\$317 - \$439	\$1,214 - \$1,757	\$22 - \$33
<i>Subtotal</i>	<i>14,900 - 22,700</i>	<i>\$738 - \$1,281</i>	<i>\$2,357 - \$3,148</i>	<i>\$48 - \$88</i>
Crop Processing Impact				
Direct (Food Manufacturing)	1,500 - 2,200	\$109 - \$182	\$623 - \$825	\$4 - \$7
Indirect (Other Industries)	3,100 - 4,100	\$209 - \$272	\$656 - \$826	\$12 - \$16
<i>Subtotal</i>	<i>4,600 - 6,300</i>	<i>\$318 - \$454</i>	<i>\$1,279 - \$1,651</i>	<i>\$17 - \$24</i>
Total Impacts	19,600 - 29,000	\$1,057 - \$1,734	\$3,636 - \$4,799	\$65 - \$112
Mid-Point estimate	24,300	\$1,396	\$4,217	\$88

Note: Figures may not sum due to rounding. Agricultural support industry employment and labor income, but not output, are included as direct effects.

Figure 2: Mid-Point Annual Employment and Labor Income Impacts by Sector



¹ Includes farm proprietor income, farm labor income (including contract labor and custom services), but does not include other property income from rents, dividends, interest, etc.

² Note that property tax is only estimated for the agricultural sector (direct crop production impact). State and local sales tax is estimated based on estimated local sales of retail goods (excluding groceries and gasoline) supported indirectly by crop production and crop processing. State income tax is based on labor income generated within Kern County.